



## THE CITY OF SAN DIEGO

### HOTEL PACKAGES AND COMPLIMENTARY SERVICES

#### City Treasurer Administrative Guideline

This regulation is written to furnish guidance on the accountability of packages offered to guests. A package is defined as "optional<sup>1</sup> goods and/or services offered in combination with room rent<sup>2</sup> over and above the basic room offered at a hotel." The following method of accounting is acceptable:

*The amount of the package shown on the guest folio or receipt may either be itemized, or reported in a lump sum which may or may not include the applicable taxes.*

If shown on the guest folio as a lump sum, the amounts allocated to room rent, each optional good and/or service, and taxes must be readily identifiable in the accounting records of the hotel. The hotel may allocate reasonable value to all components of the package, but in no case shall the allocation to the optional items (such as meals, golf or event tickets) exceed the prices normally charged for these items. Goods and services held out to the public as complimentary shall not be allocated any dollar value.

If taxes are shown separately from the package cost in the guest folio, all applicable taxes may either be 1) itemized or 2) reported as a single blended rate combining the TOT and sales taxes. If reported as blended rate, the amounts allocated for each tax must be readily identifiable in the accounting records of the hotel. In any case, the entire amount of any TOT or "room tax" itemized separately on the guest receipt must be remitted to the City of San Diego.

May 1, 1999

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<sup>1</sup> An optional good or service is defined as one which is offered in conjunction with a room, but which the guest may elect not to use and pay for.

<sup>2</sup> Rent is as defined in Section 35.0102 of the TOT Code (Municipal Code Division 1)

